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May 16, 2005

The Honorable Mike Johanns  
Secretary of Agriculture  
1400 Independence Ave.  
Washington, D.C. 20250

**03-4281058**  
**APHIS**

Dear Mr. Secretary:

The USDA has decreed the animal ID program will become mandatory on January 1, 2009. I am writing you with a suggestion of a measure to bring about mandatory animal I.D. expeditiously and without government funding.

The suggestion I have in mind are livestock loans such as cow/calf loans. Loan arrangements that do not provide information as to monitoring for diseases such as foot and mouth and mad cow diseases puts both the client and the bank or other banks doing similar business at risk. Such monitoring would be an electronic tracking system plugged into a data collection reporting system.

Lending agencies that fail to require their clients animals not to have their animals enrolled in a tracking system are failing their responsibility of protecting the bank from their clients losses. This policy of not protecting the client does a disservice by not protecting the client from the vicissitudes of the market place as well as short changing the national interest, such as the export of beef. Individual animal I.D. would allow a bank to insure that the cattle that are the bank's collateral can be identified at any one time in the production cycle. A significant benefit would be to avoid the George Young situation of 2003.

Something that may have escaped your attention is a report on 1-06-04 by the Federal Reserve Bank of Kansas City about Mad Cow Disease. The report stated, "the appearance of mad cow disease created substantial uncertainty in the cattle industry."...."The emergence of a case of mad cow disease in Washington state resulted in a great deal of uncertainty for cattle ranchers. **CONTRACTS IN SEVERAL DISTRICTS NOTED SUBSTANTIAL DECLINES IN CATTLE PRICES DUE TO FOREIGN BANS IN U.S. BEEF EXPORTS.**" (bold print mine)

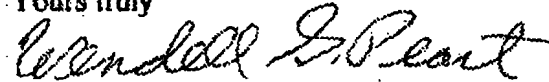
With the discovery of a mad cow in Washington state, Japan has shut off beef imports from the U.S. This loss U.S. beef has cost the U.S. 1.4 billion in 2003. On January 28, 2005, the Agriculture Weekly of the Capital Press wrote. "The Asahi Shimbun news service reported that Japan wants to know how U.S. exporters will prove the age of cattle, since there's no system of tracking animals from birth to slaughter.

A simple solution to help bring this about is for the federal government to require livestock owners to have their livestock enrolled in a tracking program before applying for livestock loans... This will demonstrate to Japan and others countries that the U.S. is sincere in meeting their concerns.

From what I can gather, the banks are reluctant to be the first to insist on animal ID as a condition of a loan. The impression is the if one bank doesn't require an animal ID, that bank would get all of the business.

A simple ruling can change all of that

Yours truly



Wendell G. Peart, DVM

Copies: John Tyson, CEO, Tyson Foods

John Hayes, Senior Director, U.S. Food and Packaging, McDonald's Corp

Dr. Rob Cannell, Director of U.S. Supply Chains, McDonald's Corp

H. Lee Scott, Jr. President, Wal-Mart Stores

Chris Sullivan, CEO, Outback Steakhouse

Paul Branch, Business Manager, Superior Livestock Auction, Ft. Worth, Texas

Dr. Brad Dalke, Manager, Ruminant Marketing and Technical Service, ADM

Bill Hawks, Under Secretary, Marketing and Regulatory Program, USDA

Interested Persons